

ORIGINAL



0000004558

MEMORANDUM

30A

TO: Docket Control

FROM: Ernest G. Johnson *EJ*
Director
Utilities Division

THRU: Matthew Rowell *MR*
Chief, Telecommunications & Energy Section
Utilities Division

DATE: May 11, 2004

RECEIVED
2004 MAY 11 P 12:13
AZ CORP COMMISSION
DOCUMENT CONTROL

RE: IN THE MATTER OF THE APPLICATION OF EL PASO NETWORKS, LLC
REQUESTING CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE &
NECESSITY TO PROVIDE COMPETITIVE RESOLD INTEREXCHANGE,
FACILITIES-BASED INTEREXCHANGE, RESOLD LOCAL AND FACILITIES-
BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES IN
ARIZONA. (DOCKET NO. T-03987A-04-0156)

Attached is the amended Staff Report of the application of El Paso Global Networks Company for cancellation of its Certificate of Convenience and Necessity ("CC&N"). Staff recommends cancellation of the CC&N.

Originator: Adam Lebrecht

Attachment: Original and Sixteen Copies

Arizona Corporation Commission
DOCKETED

MAY 11 2004

| | |
|-------------|-----------|
| DOCKETED BY | <i>AM</i> |
|-------------|-----------|

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

EL PASO NETWORKS, LLC
DOCKET NO. T-03987A-04-0156

IN THE MATTER OF THE APPLICATION OF EL PASO NETWORKS, LLC COMPANY
FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO
PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES IN ARIZONA

STAFF ACKNOWLEDGEMENT

The amended Staff Report for El Paso Network, LLC , Docket No T-03987A-04-0156, was the responsibility of the staff member listed below. Adam Lebrecht was responsible for the review and analysis of the Company's application to cancel its Certificate of Convenience and Necessity.



ADAM LEBRECHT
Executive Consultant I

Background

On August 6, 2001, the Commission, in Decision No. 63930, originally granted a CC&N to El Paso Networks, LLC ("El Paso Networks") to provide resold long distance, facilities-based long distance, resold local exchange and facilities-based local exchange telecommunications services in Arizona.

El Paso requests Commission approval to discontinue its authority to provide resold long distance, facilities-based long distance, resold local exchange and facilities-based local exchange telecommunications services, abandon its CC&N and revoke its tariff in Arizona.

On March 30, 2004, Commission Staff ("Staff") filed a Staff Report recommending approval of El Paso Network's request to discontinue its authority to provide these services and revoke its tariff in Arizona. On April 19, 2004, a Procedural Order was issued ordering Staff to file an amended Staff Report which addresses whether or not A.A.C. rule R14-2-1107 is applicable in this matter. This amended Staff Report addresses whether or not A.A.C. R14-2-1107 is applicable in this matter and includes Staff's recommendations concerning El Paso Network's request to cancel its CC&N and revoke its tariff in Arizona.

Staff Analysis

El Paso Networks filed its application to cancel its CC&N on March 1, 2004. El Paso Networks is no longer providing resold long distance, facilities-based long distance, resold local exchange or facilities-based local exchange telecommunications services in Arizona and has no customers.

Consumer Services Staff has indicated that there are no open complaints, inquiries or opinions concerning El Paso Networks. El Paso Networks has informed Staff that all customer deposits and/or prepayments were reimbursed to the customers prior to its request to cancel its CC&N. Consequently, there is no risk that an advance, deposit and/or prepayment of funds from Arizona customers would be lost by canceling El Paso Network's CC&N.

Because El Paso Networks has no customers, the rules related to the discontinuance of local service described in R14-2-1107 of the Arizona Administrative Code ("AAC") are not applicable.

Since there are numerous other carriers offering similar services, Staff believes granting this application for cancellation of El Paso Networks's CC&N is in the public interest.

Upon cancellation of its CC&N, El Paso Networks will no longer be authorized to provide resold long distance, facilities-based long distance, resold local exchange or facilities-based local exchange telecommunications services in Arizona and therefore, will no longer be subject to the requirements of Decision No. 63930.

Recommendations

Staff recommends the cancellation of El Paso's CC&N.

SERVICE LIST FOR: EL PASO GLOBAL NETWORKS COMPANY

DOCKET NO. T-03987A-04-0156

Ms. Sharon Belcher
El Paso Global Networks
1001 Louisiana Street
Houston, Texas 77002

Mr. Ernest G. Johnson
Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, Arizona 85007

Mr. Christopher C. Kempley
Arizona Corporation Commission
Legal Division
1200 West Washington
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief Administrative Law Judge
Arizona Corporation Commission
Hearing Division
1200 West Washington
Phoenix, Arizona 85007

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

RECEIVED

APR 19 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

RECEIVED

2004 APR 19 P 1:10

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF EL
PASO NETWORKS, LLC FOR CANCELLATION
OF ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY.

DOCKET NO.T-03987A-04-0156

PROCEDURAL ORDER

BY THE COMMISSION:

In Decision No. 63930 (August 6, 2001), the Arizona Corporation Commission ("Commission") granted to El Paso Networks, LLC ("El Paso" or "Applicant") a Certificate of Convenience and Necessity ("Certificate" or "CC&N") authorizing it to provide resold long distance, facilities-based long distance, resold local and facilities-based local exchange services in Arizona.

On March 1, 2004, Applicant filed with the Commission an application to cancel its Certificate.

On March 30, 2004, the Commission's Utilities Division ("Staff") filed a Staff Report in this matter. The Staff Report did not mention whether or not A.A.C. R14-2-1107 was applicable in this matter.

Accordingly, since El Paso's Certificate included authorization to be a resold local and facilities-based local exchange service provider, Staff should address whether or not A.A.C. R14-2-1107 is applicable in this case.

IT IS THEREFORE ORDERED that Staff shall file an amended Staff Report that addresses the applicability of A.A.C. R14-2-1107 in this matter on or before May 14, 2004.

DATED this 19 day of April, 2004


PHILIP J. DION III
ADMINISTRATIVE LAW JUDGE